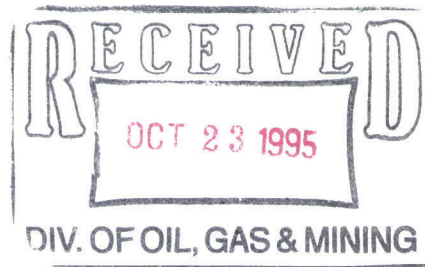


SWANSON MINERALS CO.
2051 Swanson Circle
Moab, Utah 84532



State of Utah
Dept. Of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
Triad Center, Suite 350
Salt Lake City 84180-1203

Dear Holland Shepherd:

RE: Cub Mine Bond Release, M/037/044, San Juan County, Utah, Letter September 9, 1993

This letter is to notify your Division that Kelmene Corp. has completed the reclamation program for the above stated mine. In particular the power pole at the vent shaft has been removed and the road to the vent shaft has been recontoured and reseeded. Experience has shown that reseeding in this rocky area has been somewhat less than successful. However, natural revegetation has been established over the area within two to three years. Should the reseeding not take hold Kelmene intends to let natural revegetation cover the roadway.

With only the roadway recontoured area, approximately 0.25 acres, outstanding for reseeding, Kelmene requests that Dept of O,G &M release the reclamation bond for the Cub Mine.

Sincerely,

Melvin R. Swanson
Agent for Kelmene Corp.

Encl. Previous reports



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

September 9, 1993

Mr. Melvin R. Swanson
2051 Swanson Circle
Moab, Utah 84532

Re: Cub Mine Bond Release, M/037/044, San Juan County, Utah

Dear Mr. Swanson:

Thank you for your letter dated August 17, 1993, explaining the status of the outstanding reclamation issues at the Cub site.

Please notify the Division when the UP&L power pole has been removed and the vent shaft access road reclaimed.

The 1950 decline falls outside the permitted area of the Cub mine, so the state has no jurisdiction to require reclamation. However, because it presents a safety hazard, it would be prudent for the claim holder to either reclaim it or gate/barricade it.

Sincerely,

Holland Shepherd
Senior Reclamation Specialist

1-7-95

jb
M037044

AN EARTHEN/ROCK BEAM WAS PLOWED UP AT TOP END OF ROAD where a vehicle can not get around it. A second EARTHEN beam was plowed up from ROAD material at lower/mid point ON ROAD, again so NO vehicles could get by it. BOTH BEAMS WERE PLACED WITH A CAT & ARE 8-10 WIDE X 3-4 feet high. UP&L HAS REMOVED THE POLE AT THE SITE

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
Telephone: (801) 538-5340
Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1-1-94 To (mo./yr.) 12/95
2. DOGM File Number (Mine No): M 10371044
3. Mine Name: Cub MINE
4. Mineral(s) Mined (or permitted to mine): U, O₈
5. Type of mine ☐ Surface Mine or ☒ Underground Mine
6. Legal Description (Location of Lands Affected):
1/4, SE 1/4, Section 26, Township 30S, Range 25E
1/4, 1/4, Section , Township , Range
1/4, 1/4, Section , Township , Range
7. Name of Operator or Company: KEC MINE CORP
8. Permanent Street Address: 2051 SWANSON CIRCLE
City, State, Zip: MOAB, UT 84532
Phone: 801-259-6867
9. Company Representative (or designated operator):
Name: Mel SWANSON
Title: AGENT
Business Address: 2051 SWANSON CIRCLE
City, State, Zip: MOAB, UT 84532
Phone: 801-259-6867

☒ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes ☐ No ☒
2. If active, how much ore or mineral was mined? _____

3. How much additional acreage was disturbed during the past year? 0
4. Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved.

5. How much acreage was reclaimed during the past year? _____
6. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

ALL SITES WERE RECLAIMED IN 1992

7. What is the total disturbed acreage at years end? 0

8. Briefly summarize any mining and/or reclamation plans for the upcoming year.

NOTE: AS PER DOGM LETTER OF SEPT. 9-93
NOTICE IS HEREBY GIVEN THAT UPFL HAS REMOVED THE
POWER POLE AT THE VENT SHAFT SITE & THE ROAD HAS
BEEN BARRICADED WITH TWO WIDE SPREAD BARTHEN/ROCK
BEAMS TO PREVENT VEHICLE ACCESS TO VENT SHAFT SITE.

NOTE: Section III., "Additional Information" applies only to large mining operations.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

M. R. SWANSON

Title of Operator:

AGENT

Signature of Operator:

M. R. SWANSON

Date:

1-7-95